APIs, Banks, and Disruption/Innovation

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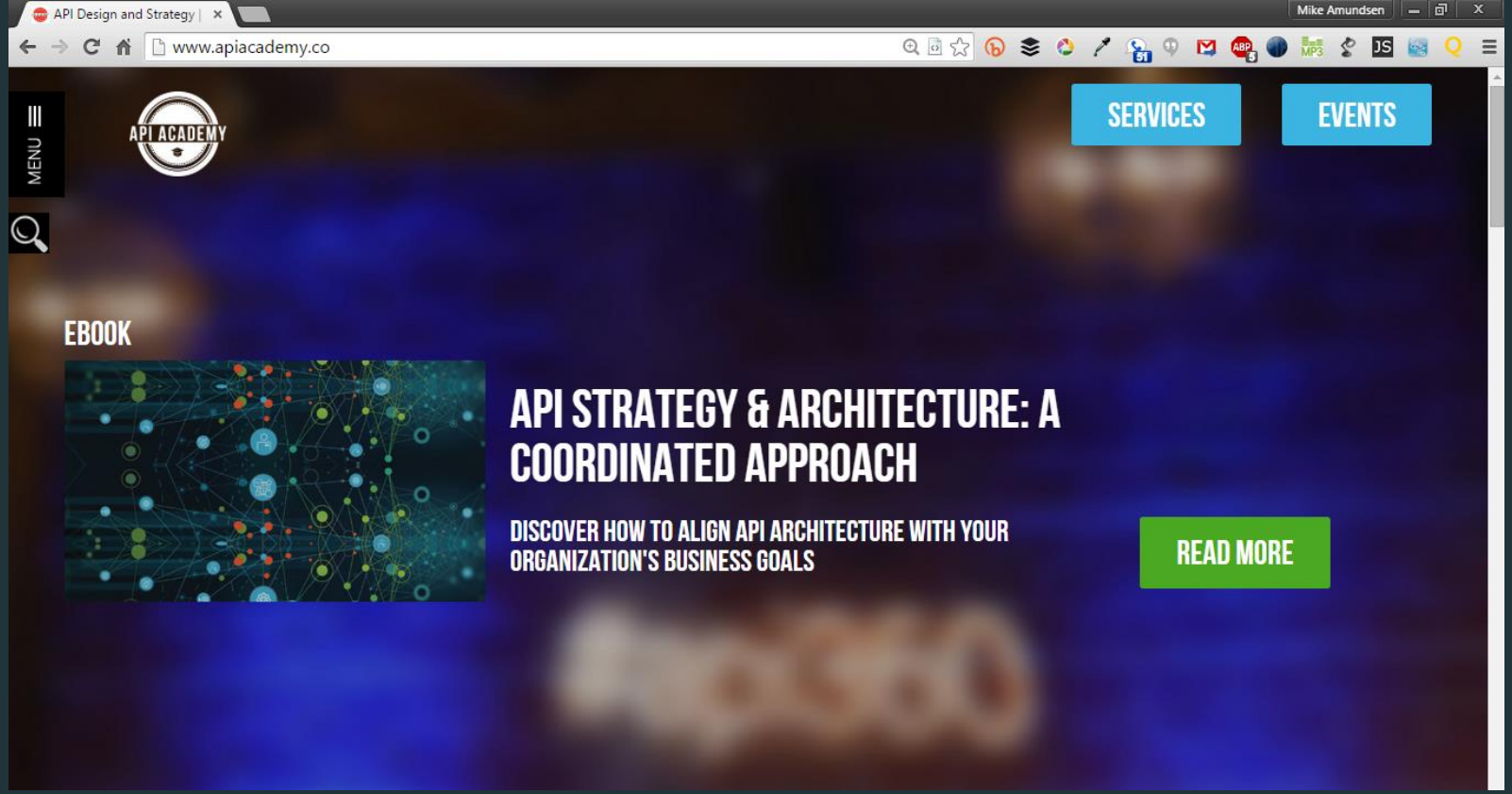

Help People Build Great APIs

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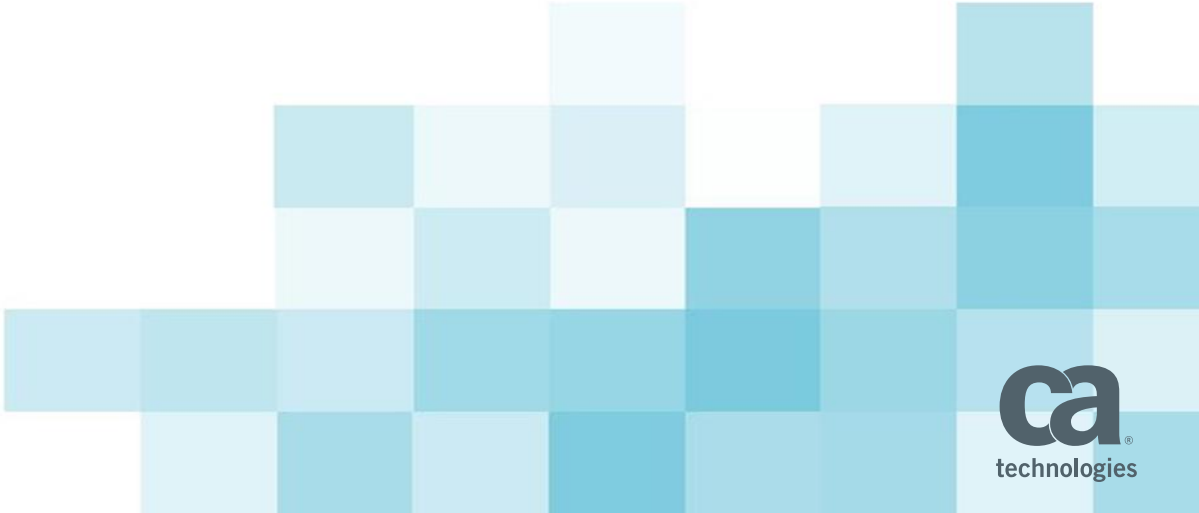
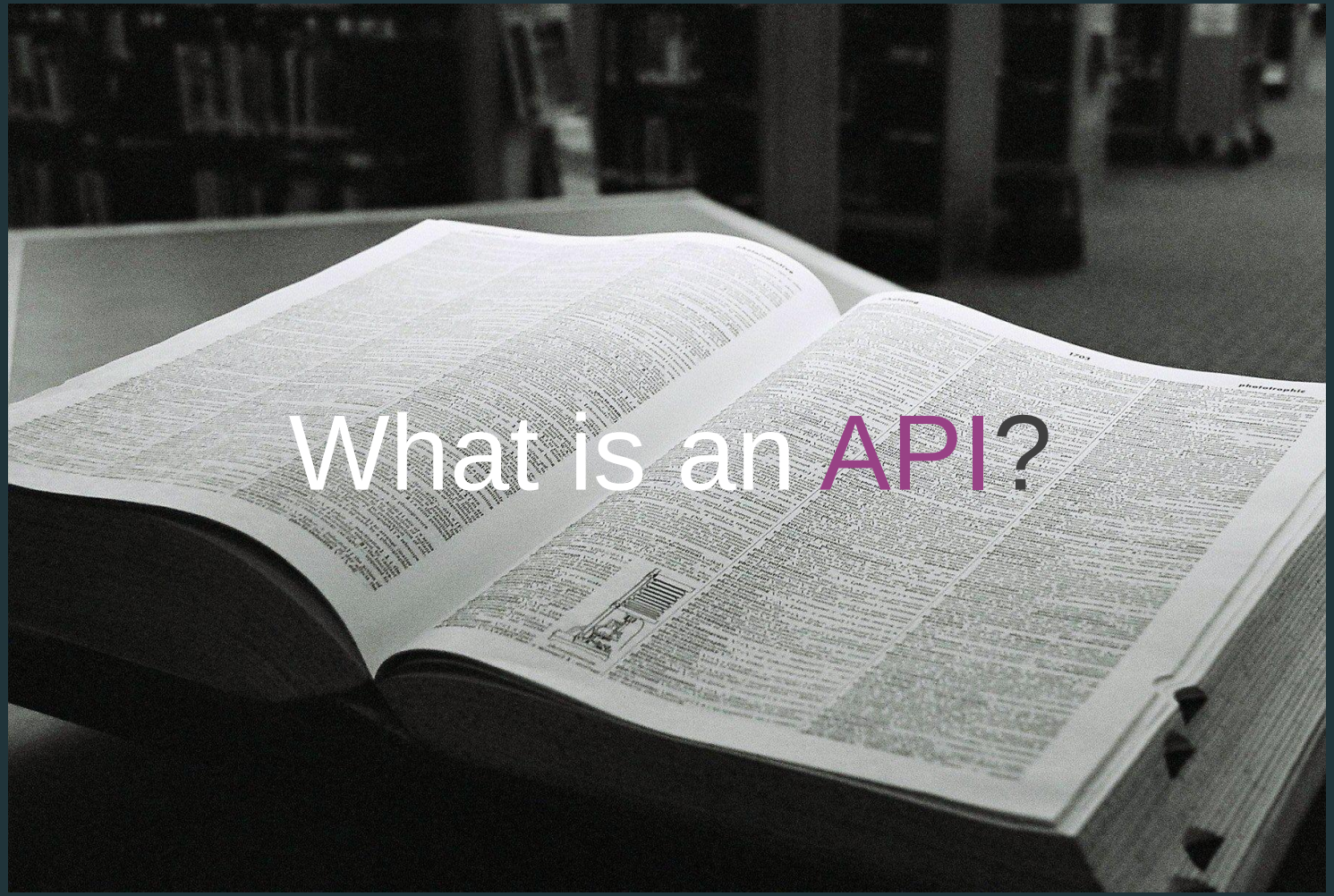
APIs

Application Programming Interfaces





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Human Interface (HCI)

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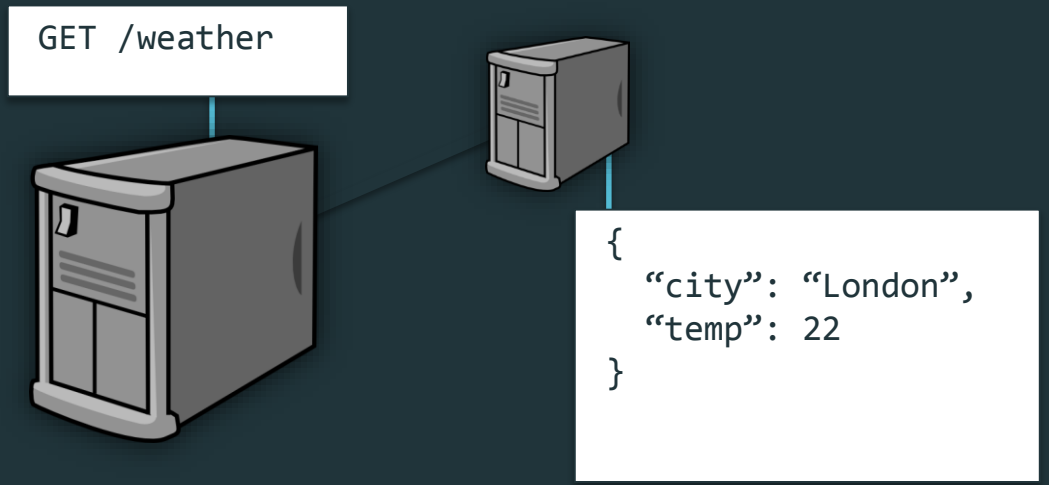
An Application Interface (API)



An Application Interface

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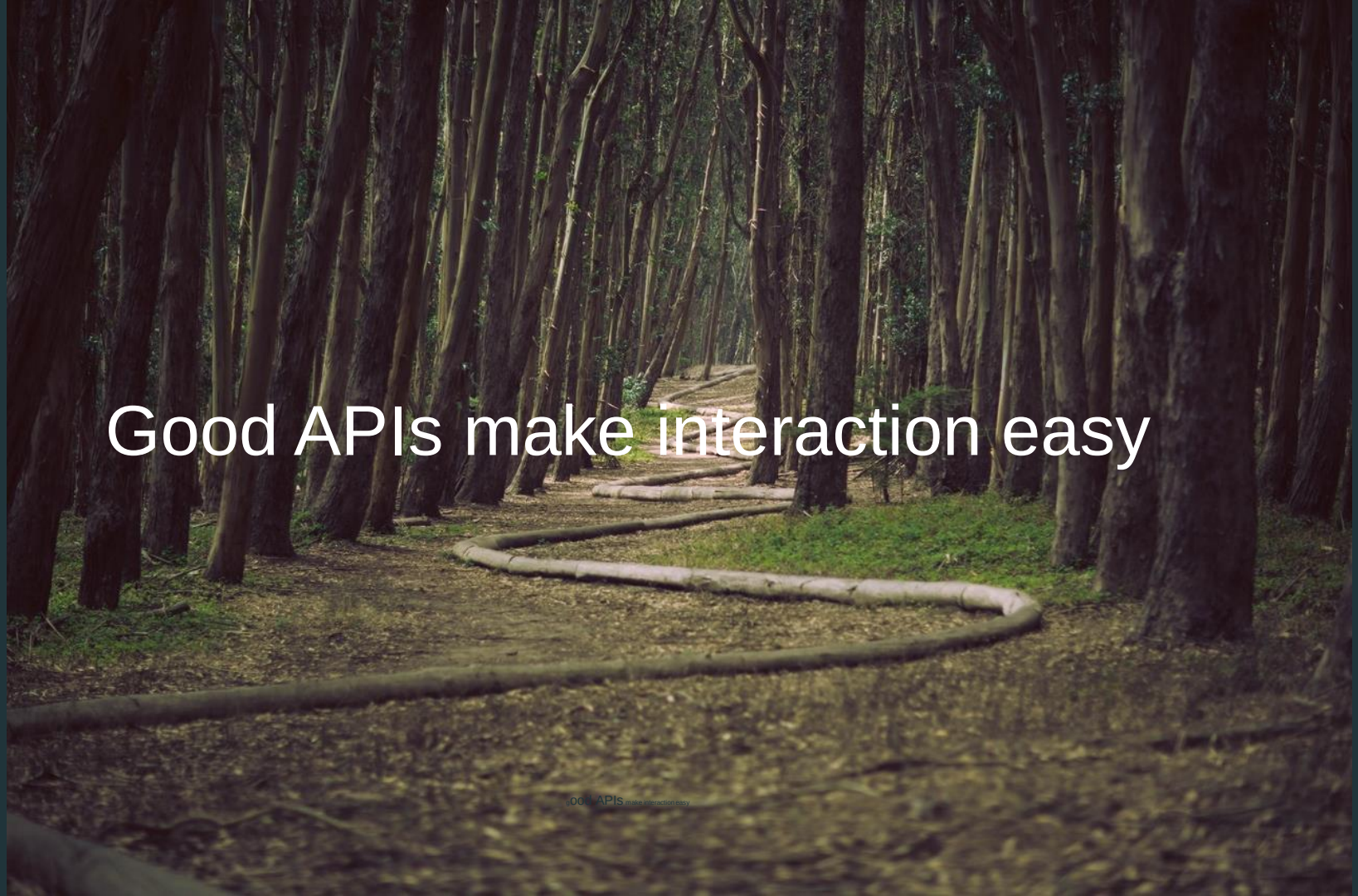
Good APIs make interaction easy

Frontend
(client)

user input

Backend
(server)

Build page and send

temperature data (by location)

layout, graphics and text

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Frontend
(client)

user input

layout, graphics and text

Backend
(server)

Web API

temperature data (by location)

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Backend
(server)

Web API

temperature data (by location)

user input

layout, graphics and text

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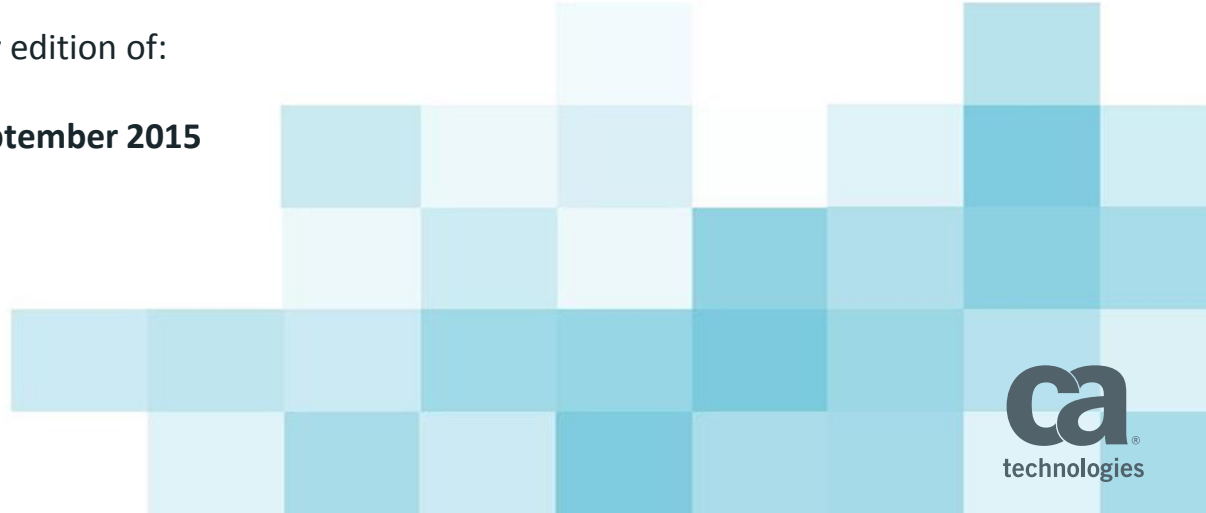
Banking Today

Tech, Trends, and APIs

The following material is from an early edition of:

Banking APIs: State of the Market September 2015

BankingAPIs.com



Trends

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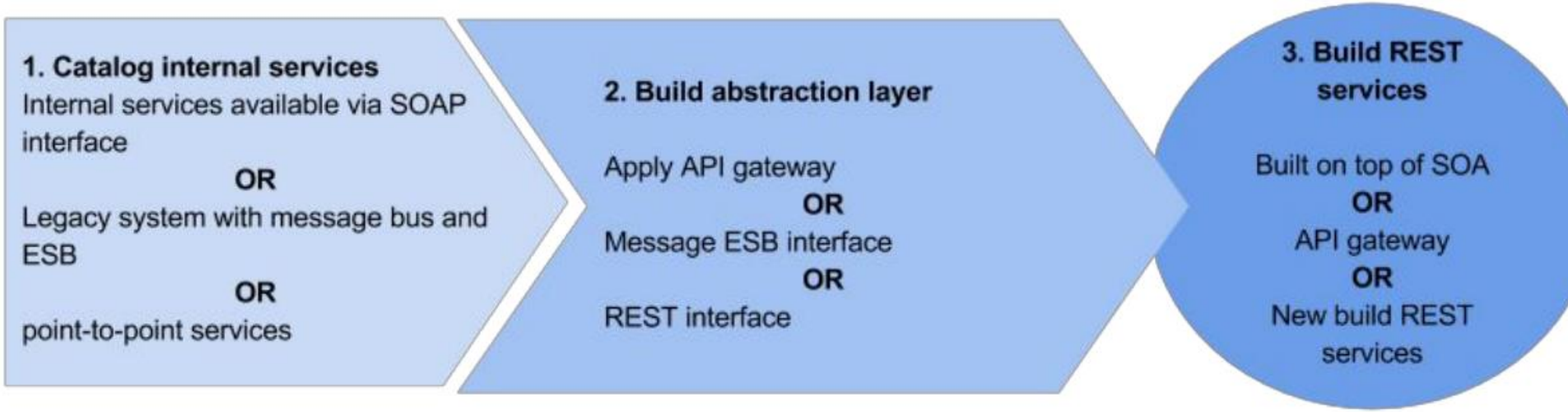
Tech



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Banking APIs

Most popular	Transaction history/customer transaction APIs
	Payment APIs
Common	Customer profile APIs
	Bank products catalog
	Transfers
	Credit scoring
Specific banks	Modify bank card limits
	Authentication
	API endpoint for data on location of branches/ATMs
	Big data of anonymized transactions

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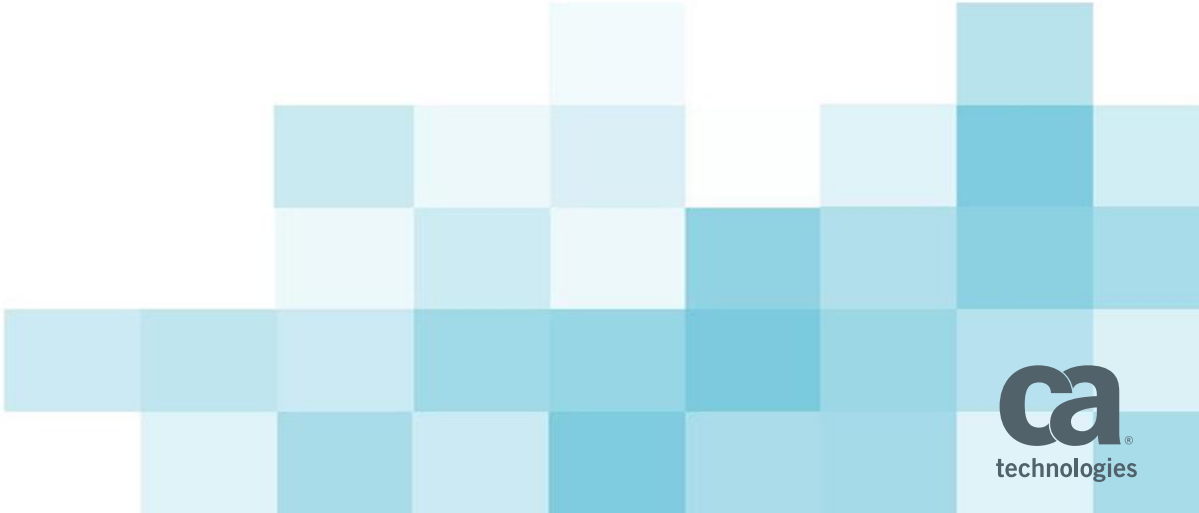
Standards and Innovation



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standardization

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increases compatibility
increases interoperability
increases safety, repeatability and quality

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Economics of Standardization, 2000

MANCHESTER BUSINESS SCHOOL

THE ECONOMICS OF STANDARDIZATION

Final Report for
Standards and Technical Regulations Directorate
Department of Trade and Industry

G M Peter Swann
Manchester Business School
University of Manchester

11th December, 2000

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/461417/The_Economics_of_Standardization_-_in_English.pdf

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There's a downside, too…

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hinders Innovation

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When the experience is standardized,

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hinders Innovation

When the experience is standardized, everyone is the same.

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hinders Innovation

When the experience is standardized, everyone is the same.

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PLEASE
DO NOT
TOUCH
PLEASE DO NOT TOUCH

One provider, one UX

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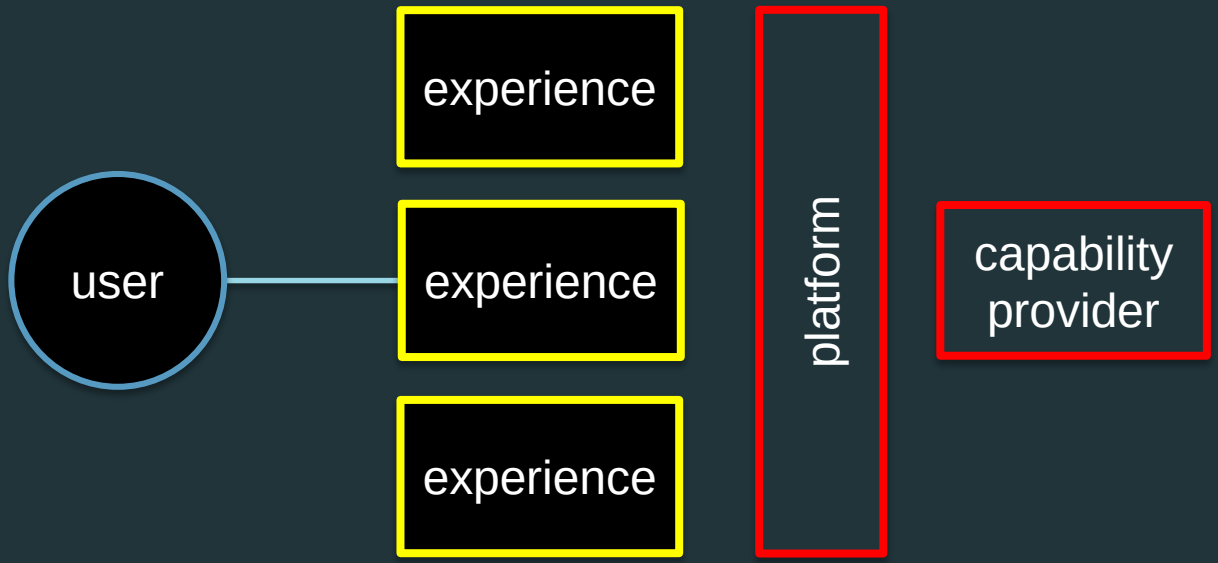

One platform, many UX providers

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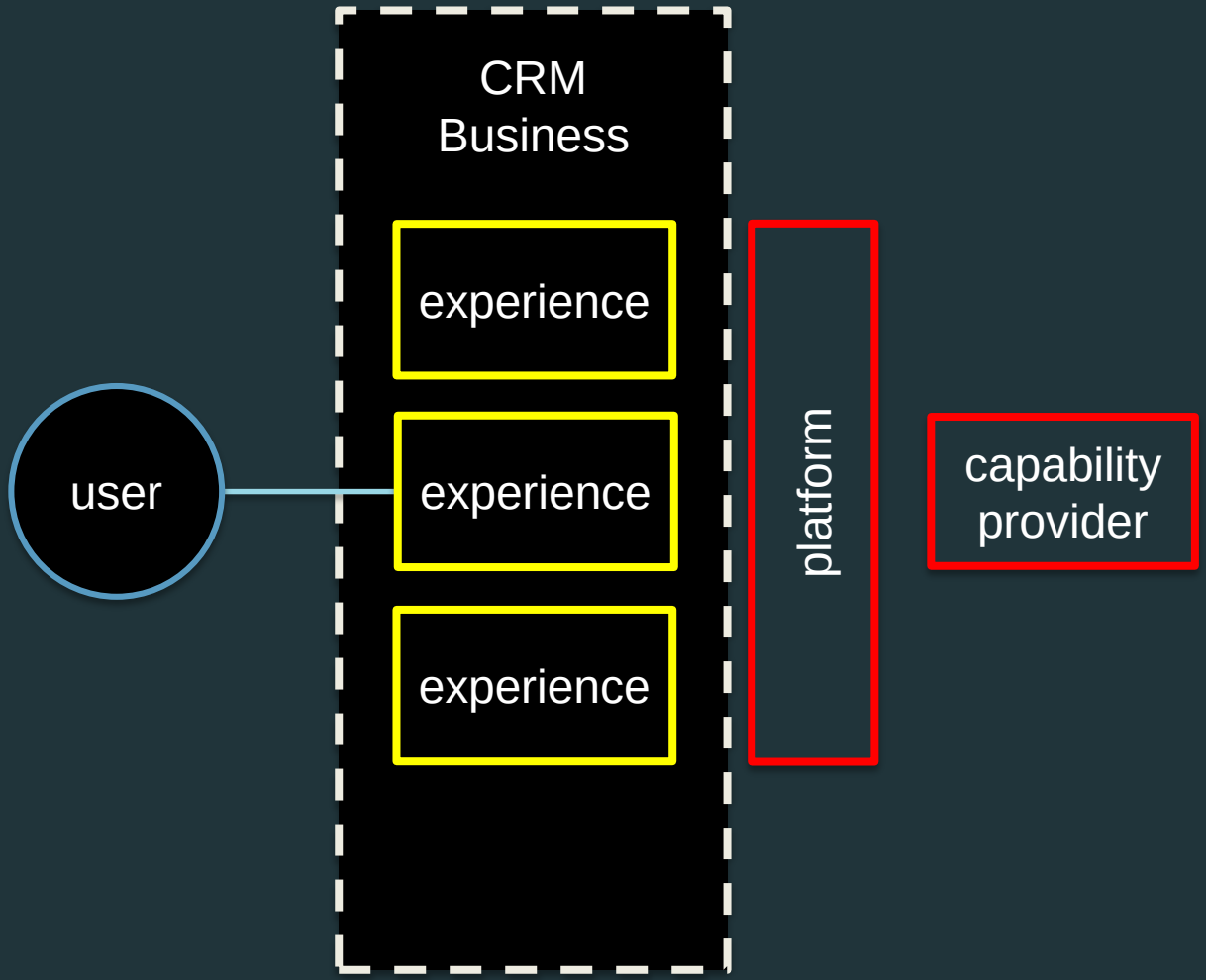

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So, what do you do?

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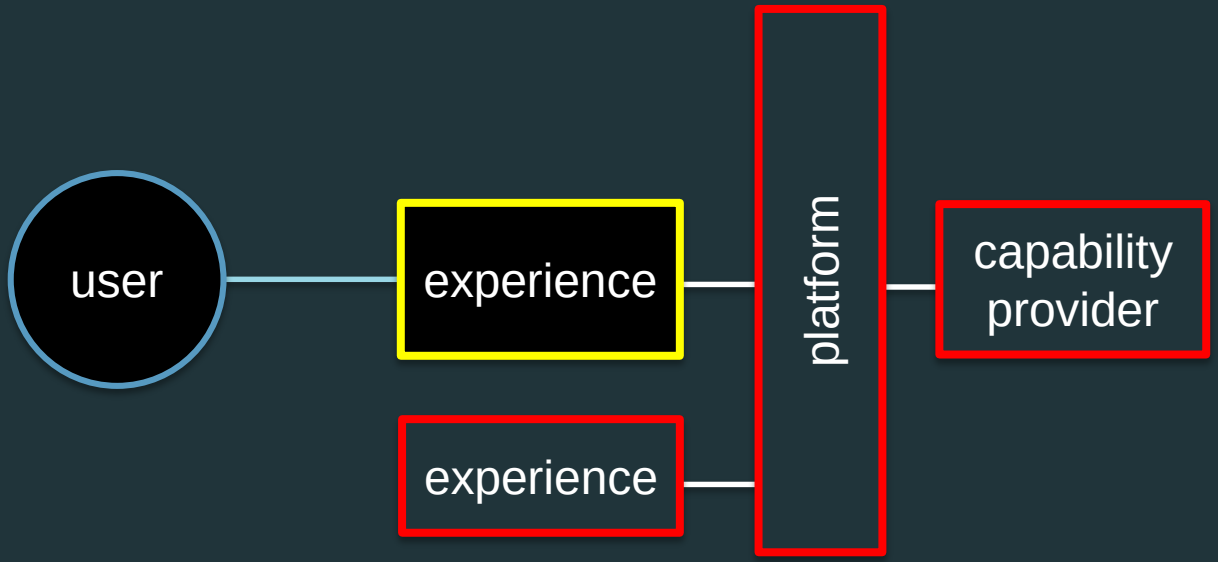
If you lose the CRM Business, where do you focus?

Option 1: Compete with the UX Providers



https://hbr.org/1999/03/unbundling-the-corporation

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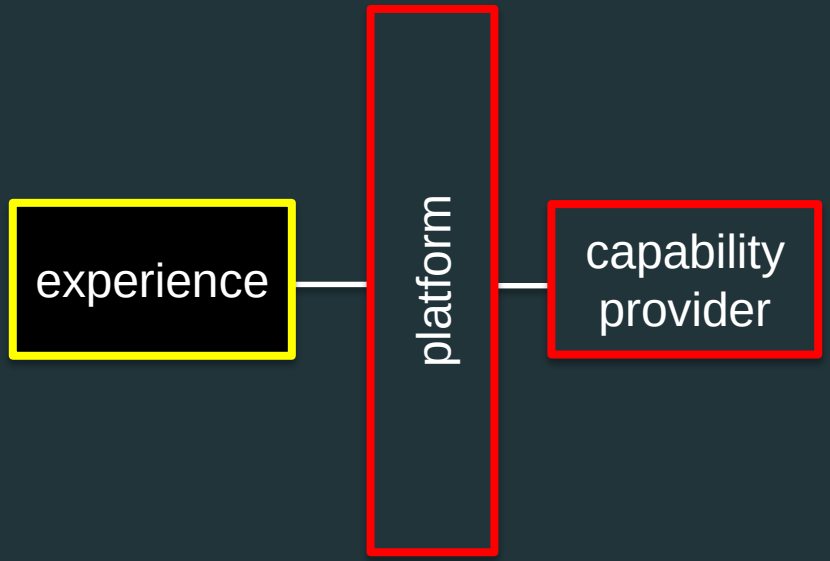
If you lose the CRM Business, where do you focus?

Option 2: Make the UX providers your new customer



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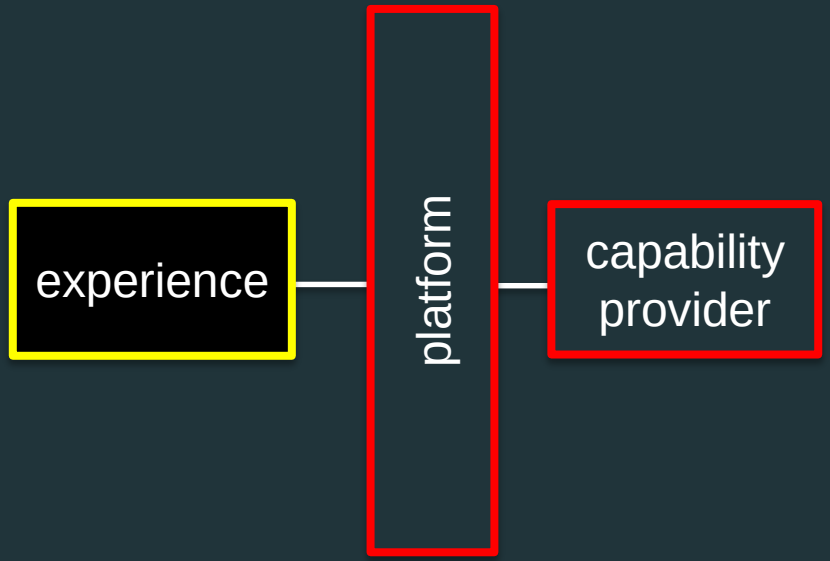
If you lose the CRM Business, where do you focus?

Option 3: Focus on powering the UX providers with infrastructure capability



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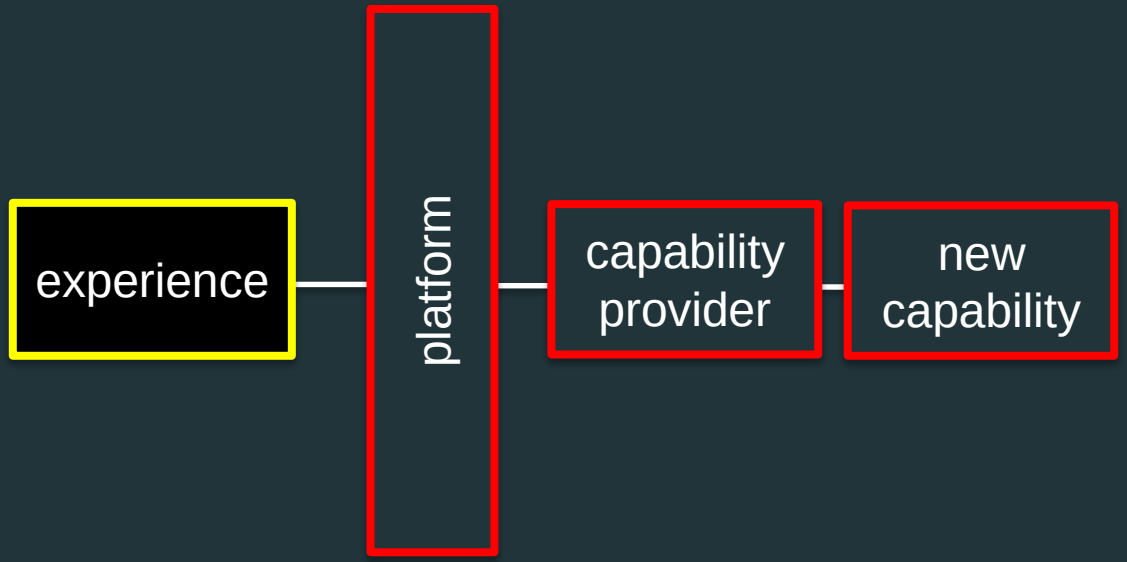
If you lose the CRM Business, where do you focus?

Option 4: Focus on providing innovative features to UX providers



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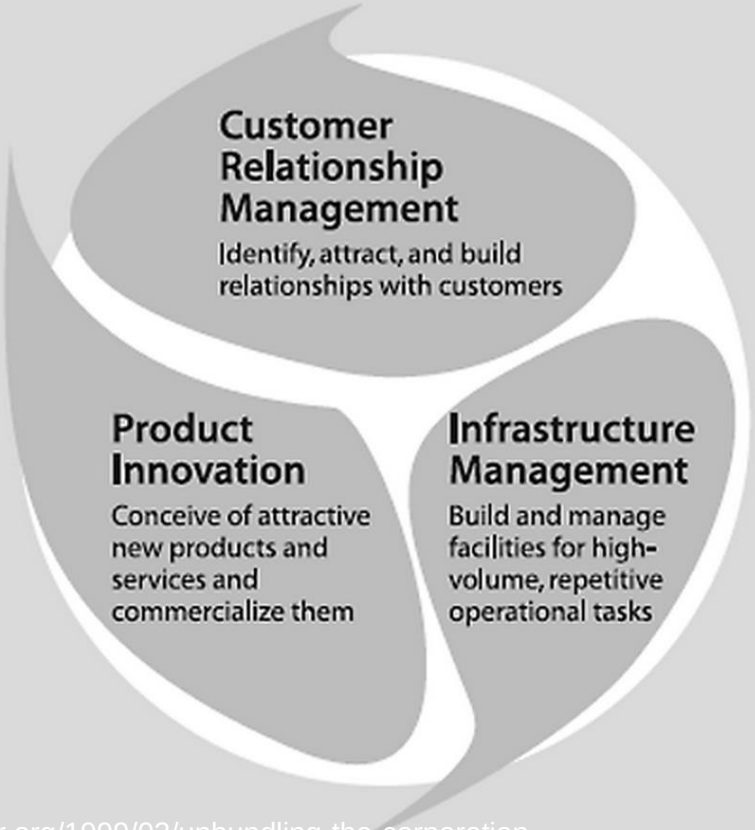
John Hagel
Marc Singer
Unbundling the Corporation

John Hagel III
Marc Singer



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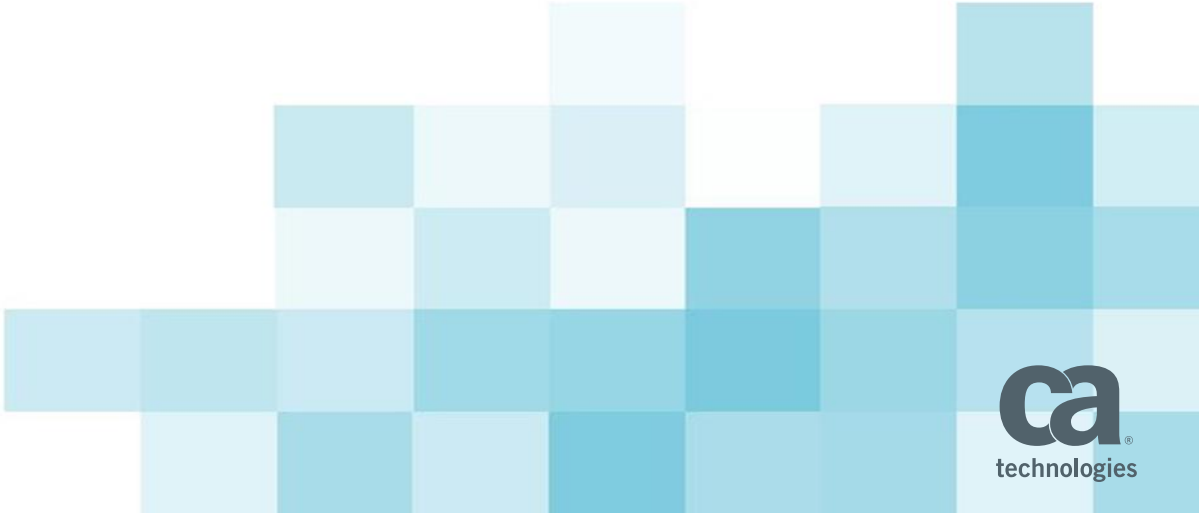
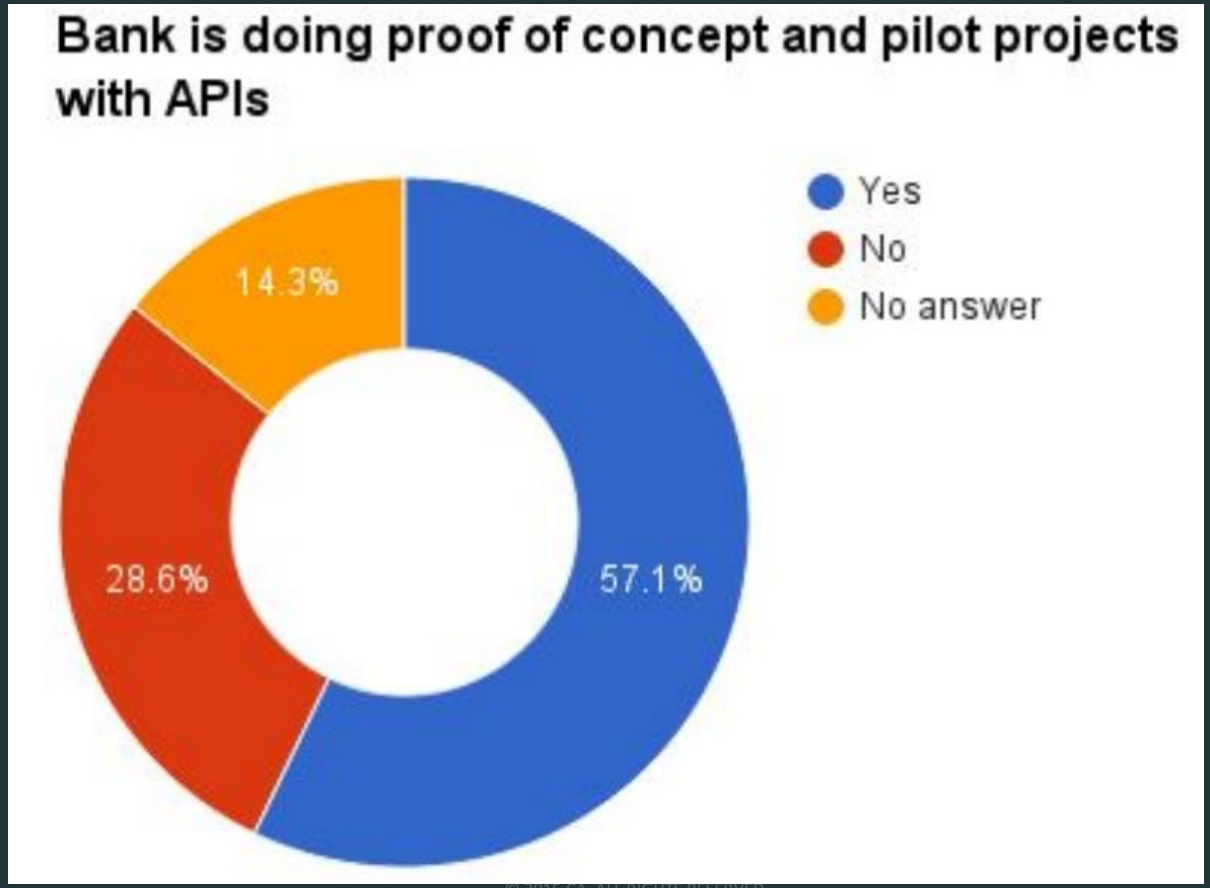
And So…



Banking will be API-Driven



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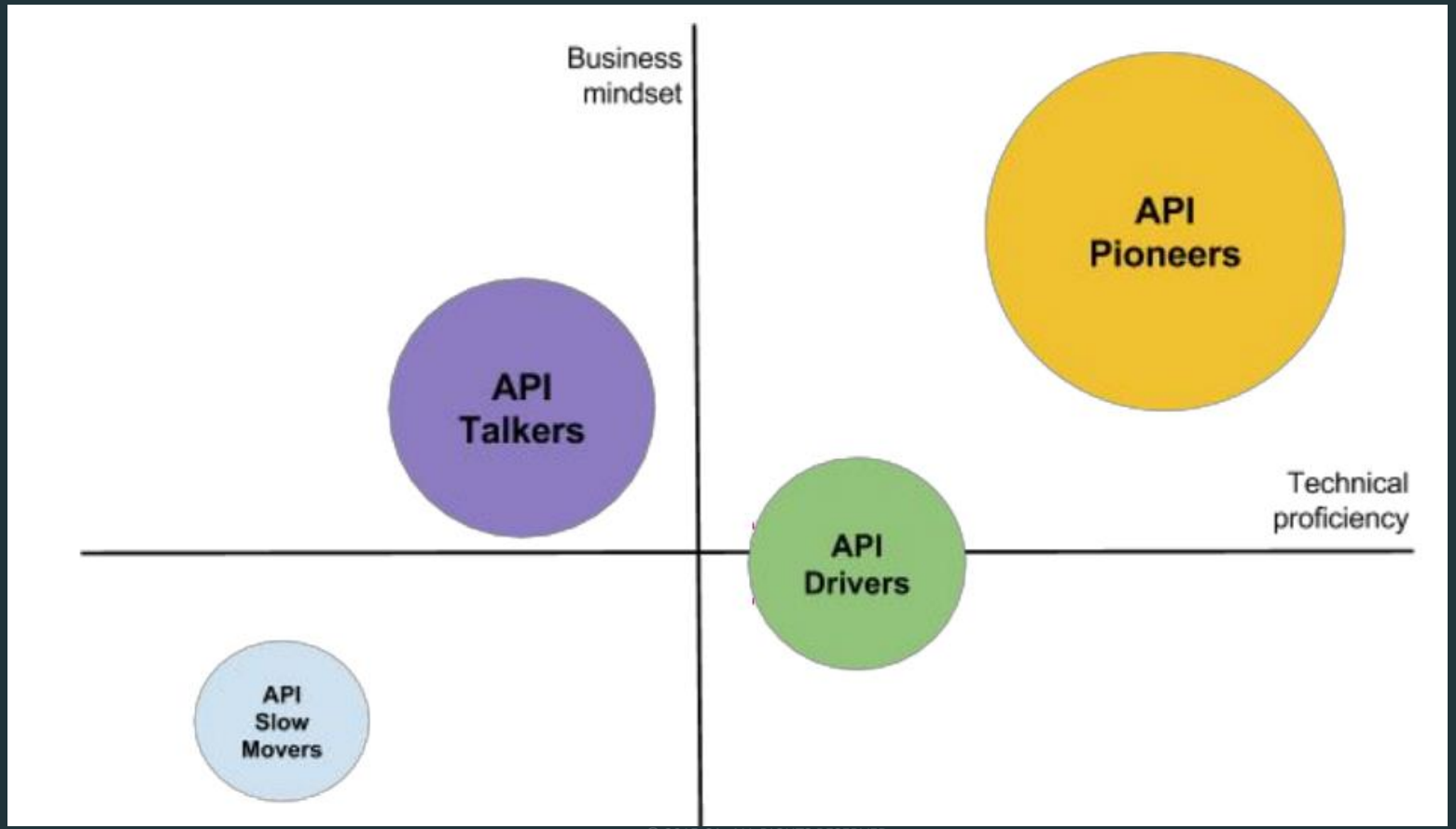
Pioneers will decide who can innovate and who do not



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